

PACIFIC COUNTY, WASHINGTON
January 1, 1994 Through December 31, 1995

Schedule Of Findings

1. The County Should Comply With The Statutory Requirements For Revaluation Of Real Property

While there have been some improvements, this is a repeated finding from the prior audit.

The intent of the assessor's real property revaluation program is to physically inspect all taxable property at least every four years and to inspect new construction each year.

The assessor's office has added personnel and committed resources for improvements to its computer system. However, these steps have not enabled the assessor's office to meet statutory requirements. The assessor provided data as to the progress and status of revaluations for 1995:

- a. Of 9,814 parcels scheduled for physical inspection, there remained 957 parcels not completed by roll closure. (The prior audit report noted that 1,775 were not completed by closure of the tax roll.)
- b. The new construction assessment program is not current. We were unable to list any new construction other than what was appraised on cycle during the year 1995. Assistance provided by the Department of Revenue appraised \$12,467,300 on permits having valuations over \$80,000. A substantial backlog of new construction permits remains unappraised.

RCW 84.41.030 states:

Each county assessor shall maintain an active and systematic program of revaluation on a continuous basis, and shall establish a revaluation schedule which will result in revaluation of all taxable real property within the county at least once each four years and physical inspection of all taxable real property within the county at least once each six years
. . . .

To accomplish these requirements, RCW 84.41.050 states:

Each county assessor in budgets hereafter submitted, shall make adequate provision to effect county-wide revaluations as herein directed. The several boards of county commissioners in passing upon budgets submitted by the several assessors, shall authorize and levy amounts which in the judgment of the board will suffice to carry out the directions of this chapter.

Because the assessor is not meeting the statutory revaluation requirements, not all taxable property and new construction on the tax rolls is assessed at market value. Substantial revenue is lost to the county, taxing districts, and the state when new construction is not added to the rolls and owners of existing property must pay a disproportionate share of the tax burden.

Tax districts are impacted by the delay in revaluations and in delays in new construction being added to the rolls due to the tax levies being based upon noncurrent valuations. For rising valuation areas, the tax levy would be undervalued.

We again recommend the Pacific County Commissioners provide the assessor with resources sufficient to accomplish the statutory requirements for valuation and revaluation of real property.